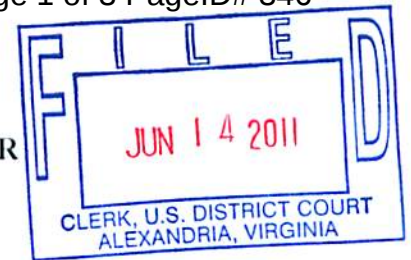


IN THE UNITED STATES DISTRICT COURT FOR
THE EASTERN DISTRICT OF VIRGINIA
Alexandria Division



UNITED STATES OF AMERICA,
Plaintiff,

v.

HEDGELENDER, LLC, et al.,
Defendants.

Civil Action No. 1:10cv1054

FINAL ORDER AND PERMANENT INJUNCTION

Upon consideration of the May 23, 2011 Report and Recommendation of the United States Magistrate Judge designated to conduct a hearing in this matter, no objections having been filed, and upon an independent *de novo* review of the record, it is hereby **ORDERED** that the Court adopts as its own the findings of fact and recommendation of the United States Magistrate Judge, as set forth in the May 23, 2011 Report and Recommendation.

Accordingly, it is hereby **ORDERED** that judgment is **ENTERED** by default in favor of plaintiff and against the only remaining defendant, HedgeLender, LLC.

It is further **ORDERED** that defendant HedgeLender, LLC and its representatives, agents, servants, employees, attorneys, and those acting in concert with it, are permanently **ENJOINED** from, directly or indirectly, and by use of any means or instrumentalities:

a. Organizing, promoting, marketing, selling, or implementing the HedgeLoan scheme that is the subject of the complaint herein;

b. Organizing, promoting, marketing, selling, or implementing any program, plan or arrangement similar to the HedgeLoan scheme that is the subject of the complaint herein that purports to enable customers to receive valuable consideration in exchange for stocks or other

securities that are transferred or pledged by those customers, without the need to pay tax on any gains because the transaction is characterized as a loan rather than a sale;

c. Organizing, promoting, marketing, or selling any plan or arrangement that advises or assists others to attempt to violate the internal revenue laws or unlawfully evade the assessment or collection of their federal tax liabilities;

d. Engaging in conduct subject to penalty under I.R.C. § 6700, including by making or furnishing, in connection with the organization or sale of a shelter, plan, or arrangement, a statement about the securing of any tax benefit that they know or have reason to know to be false or fraudulent as to any material federal tax matter; and

e. Engaging in any conduct that interferes with the administration and enforcement of the internal revenue laws.

It is further **ORDERED** that within 30 days of the day of entry of this Final Order and Permanent Injunction, HedgeLender, LLC shall provide to counsel for the United States a list of the names, addresses, email addresses, telephone numbers, and Social Security and federal tax identification numbers of all customers who have participated in the HedgeLoan scheme that is the subject of the complaint herein.


The United States may engage in full post-judgment discovery to monitor compliance with the injunction.

The Court shall retain jurisdiction over this action for purposes of implementing and enforcing the final judgment and any additional orders necessary and appropriate to the public interest.

The Clerk is **DIRECTED** to enter judgment in accordance with this Order, pursuant to Rule 58, Fed. R. Civ. P., and to place this matter among the ended causes.

The Clerk is further **DIRECTED** to send a copy of this Final Order and Permanent Injunction to defendants, the Magistrate Judge and all counsel of record.

Alexandria, Virginia
June 14, 2011



T. S. Ellis, III
United States District Judge